

February 16, 2015

To the Members of the School Board, Superintendent
Moultonborough school District
Moultonborough, New Hampshire 03254

The ABC has reviewed the results of the proposed one-year Collective Bargaining Agreement (CBA). In a vote of 6-0 (6 in favor, 0 against) the committee has agreed to support the contract.

The Committee appreciates the effort made by both the School Board negotiators and negotiators for the Moultonborough School Staff Association (MSSA). It is this Committee's opinion that the proposed contract represents a generous foundation to begin further discussions centered on balancing the compensation requirements of the MSSA members with the current economic and political climate particularly in view of additional costs related to pension funding that have been passed down to the local taxpayers from Concord and increasing health care costs and related "Cadillac Taxes".

In an attempt to provide the community with a factual understanding of the proposed changes, we have summarized the changes and presented our thoughts below. We request that the community take the time to understand the proposed contract changes prior to voting.

Salary

Current Contract

The existing contract covered a three year period of August 1, 2012 thru July 31, 2015. The contract period of performance in a year is 185 days per year. The contract days are comprised of 180 teaching days and 5 in-service days. Additional service time, includable in the overall wage base for retirement calculation, is reimbursed via stipends, which represent fees for a variety of services such as department chairs, unit leaders, clubs, coaches etc. The value of the received stipends varies in accordance with a schedule for each approved extra-curricular activity. Many teachers receive multiple stipends. Teachers are provided up to \$1400 per year in reimbursement towards professional development courses, computers, workshops etc. Of the \$1,400 allowance up to \$500 may be utilized to purchase computer hardware or computer peripherals or other electronic equipment. The pay schedule is based on a Step and Track system. Year 2012-2015 is comprised of 14 steps and 5 tracks. The track rating is based on academic advancement (Bachelor's Degree, Master's Degree, Master's Degree +, etc.) All teachers' receive a step increase within their respective track with each additional year of service. Steps are based on time in position. Steps are not based on performance. Steps are granted per contract to all teachers on an annual basis. Track changes are based on academic advancement, i.e. obtaining added credited courses toward advanced degrees. Annual step increases can occur in addition to track change increases within the same year. Once a teacher reaches the top step of the salary schedule (14 years of teaching) they receive off-step pay increases of anywhere from \$230-\$655 per year of experience. A teacher reaching the top step on Track 5 would receive additional off-step pay each year calculated at a rate of \$655 times the number of years worked after reaching the top step. Three years worked after reaching the top step would equal an additional \$1,965 in salary above the highest step value.

Proposed contract

Salary

The District teachers' contract is proposed to cover one year beginning August 1, 2015, and ending July 31, 2016. Many of the terms and conditions remain the same as the current contract. Work days remain the same, with the addition of 30 minutes to the teacher's day; stipend payments continue. The following represent the contract changes with regards to salary.

For the one-year contract, the total increase in teacher salaries including longevity awards and waged based benefits (e.g. FICA, retirement, workers' comp) will be \$128,842.

- The increase in track and step ranges for 2015-2016 represents a 1.7% increase
- The total increase in teacher salaries including the increase of 1.7% for track and step ranges and related benefits for 2015-2016 is a 2.53% increase over 2014-2015.

The proposed contract for 2015-2016 will cap off-step increases @ twenty-five years. All current MSSA members @ fifteen years or more in June of 2015 will be "Grandfathered".

Retirement Incentive

In order to provide retirement incentive to the Districts senior teaching staff, during the 2011/2012 and 2013-2015 contract negotiations, the School Board proposed and approved the following retirement incentive program. The intent was to entice the experienced higher salaried teachers to take an early retirement, allowing the district to replace the retiring teachers with less tenured and therefore less costly staff. The current language from the 2013-2015 Contract is as follows:

In recognition of service to the Moultonborough School District, a teacher with at Least twenty (20) years of teaching experience, who has at least five (5) years of service to the Moultonborough School District, who is at least 55 years of age, and who is eligible for early or normal retirement under the New Hampshire Retirement System, and retires at the end of the 2012-2013 school year shall be eligible for a retirement stipend of equal to 35 % of their last year's salary. A teacher meeting the same experience and age requirements who retires at the end of the 2013-2014 school year shall be eligible for a retirement stipend equal to 30 % of their last years' salary. A teacher meeting the same experience and age requirements who retires at the end of the 2015-2015 school year shall be eligible for a retirement stipend of 25 % of their last years' salary. The eligible number of teachers in any single year continues to be restricted to 5. Seniority shall first be determined by the sum of age and years of service to the District. If two or more eligible teachers have the same total sum of age and years of service to the District, then the one with the most years of service to the District will be considered the most senior. If the years of service are the same, then the one with The earliest birth date will be considered the most senior. The School Board may, at its discretion, approve additional applications for the plan.

The 2015-2106 contract continues the Retirement Stipend Incentive for one more year at the rate of 25% of the retiring teachers last year's salary.

The ABC continues to believe this can be an effective cost reduction program but in order to make it effective should have an end date attached to the offer. We strongly believe that this benefit needs to permanently end at the conclusion of this contract.

Compensation and Benefits Committee

The proposed contract for 2015-2016 contains language that establishes a Moultonborough School District Compensation and Benefits Committee. The committee will engage outside professional consultants to look at salaries, compensation, benefits and retirement incentives. The Committee meetings will be open to the public and consist of five appointees made by the School Board and five appointees by the Moultonborough School Staff Association (MSSA). The meetings will commence on or about April 17, 2015 with a goal to report findings on or about October 15, 2015.

The ABC is supportive of the proposed Committee. We request that the Community, School Board and MSSA members continue to work together to further discussions centered on balancing the compensation requirements of the MSSA members and to identify and initiate alternatives that will provide a fair, competitive and cost effective environment for both employees and taxpayers.

Respectfully submitted,

Jean Beadle, Chair - ABC

Moultonborough Budget Advisory Committee

Members:	Alan Ballard	(Member at Large)
	Jean Beadle	(Member at Large)
	Amanda Bergquist	(Member at large)
	Linda Murray	(Alternate at Large)
	Kathy Garry	(School Board Representative)
	Barbara Sheppard	(Library Trustee Representative)
	Chris Shipp	(Select Board Representative)